

Power Cost Memorandum

Fuel Cost Update and Surcharge Change

Date: **November 18, 2021**

Utility Name (Cert. No.) (17)	Utility File No.	Date Filed:
KOTZEBUE ELECTRIC ASSOCIATION, INC.	PC91-0521B	October 22, 2021

PCE LEVEL SUMMARY	Previously Approved PC91-0521A	Commission Approved and Effective Date PC91-0521B
Class Rate	<u>Date Approved:</u> August 6, 2021	November 19, 2021
Residential	\$0.1368	\$0.1478
COMMUNITY FACILITIES		
Small Comm/Pub.Blgs.	\$0.1368	\$0.1478
Large Power	\$0.1368	\$0.1478
Street Lights First 63 kWh	\$0.1368	\$0.1478
<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent		

Prior Fuel Purchase Price: \$ 2.0515	New Fuel Purchase Price: \$ 2.2294
Delivery Charge: <input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted	<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted
Surcharge Change: Previous 0.1248	Updated 0.1365

Signed: *Brenda Cox*
Brenda Cox

Utility Financial Analyst

Commission decision re. this recommendation :

	Date (if different from 11/18/21)	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT *
Pickett		<i>RMP</i>		
Kurber		<i>KK</i>		
Scott		<i>AGS</i>		
Sullivan		<i>DS</i>		
Wilson		<i>Wilson</i>		

Special Instructions to Staff:

*If this column is initialed, Staff will contact the Commissioner for the statement, otherwise, dissent will simply be noted at the close of the By Direction Letter or Order.

KOTZEBUE ELECTRIC ASSOCIATION, INC.

POWER COST EQUALIZATION CALCULATION
FOR PERIOD ENDING DECEMBER 31, 2020
Fuel Cost Update and Surcharge Change

		PC91-0521A	PC91-0521B	
		Prior Commission Approval	Per Utility Filing	Staff Recommended
A.	Eligible Costs/kWh (Appendix 2)	\$0.3443	\$0.3559	\$0.3559
B.	Eligible Cost/kWh (A) less base rate in effect	\$0.1440	\$0.1556	\$0.1556
C.	Lesser of (B) or 79.97 cents/kWh	\$0.1440	\$0.1556	\$0.1556
D.	Average Class Rates			
	NON COMMUNITY FACILITIES			
	Residential	\$0.1602	\$0.1719	\$0.1719
	COMMUNITY FACILITIES			
	Small Comm/Pub Bldgs	\$0.1771	\$0.1888	\$0.1888
	LP-Lg.Power	\$0.2628	\$0.2745	\$0.2745
	Street Lights			
	First 63 kWh	\$0.2296	\$0.2413	\$0.2413
		Class Power Cost Equalization Per kWh Payable		
E.	Lesser of: (C) x 95% or (D)			
	NON COMMUNITY FACILITIES			
	Residential	\$0.1368	\$0.1478	\$0.1478
	COMMUNITY FACILITIES			
	Small Comm/Pub.Bldgs.	\$0.1368	\$0.1478	\$0.1478
	LP-Lg.Power	\$0.1368	\$0.1478	\$0.1478
	Street Lights			
	First 63 kWh	\$0.1368	\$0.1478	\$0.1478
F.	Funding Level in Effect	100%	100%	100%
	NON COMMUNITY FACILITIES			
	Residential	\$0.1368	\$0.1478	\$0.1478
	COMMUNITY FACILITIES			
	Small Comm/Pub.Bldgs.	\$0.1368	\$0.1478	\$0.1478
	LP-Lg.Power	\$0.1368	\$0.1478	\$0.1478
	Street Lights First 63 kWh	\$0.1368	\$0.1478	\$0.1478

KOTZEBUE ELECTRIC ASSOCIATION, INC.

SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY
FOR PERIOD ENDING DECEMBER 31, 2020
Fuel Cost Update and Surcharge Change

	PC91-0521A	PC91-0521B	
	Prior Commission Approval	Per Utility Filing	Staff Recommended
Non-Fuel Costs:			
A. Generation Expense	1,562,025	1,562,025	1,562,025
B. Distribution Expense	325,604	325,604	325,604
C. General & Administrative	1,323,949	1,323,949	1,323,949
D. Depreciation	980,856	980,856	980,856
E. Interest Expense	237,974	237,974	237,974
F. Other (Describe)	9,297	9,297	9,297
G. Other Revenues: GCI Pole Rentals, Wind Power Sales	(110,830)	(110,830)	(110,830)
H. Total Non-Fuel Costs	\$4,328,876	\$4,328,876	\$4,328,876
I. Total kWh Sold in Test Year January through December 2020	19,724,903	19,724,903	19,724,903
J. Non-Fuel Cost/kWh (H / I)	\$0.2195	\$0.2195	\$0.2195
COPA Fuel Costs:			
K. Gallons Consumed	1,218,008	1,252,052	1,252,052
L. Price of Fuel:(per gal)	2.0515	2.2294	2.2294
M. Balancing Account	(167,106)	(187,761)	(187,761)
N. Total Cost of Fuel (K * L) + M	\$2,331,637	\$2,603,564	\$2,603,564
O. Total kWh Sold in Last 12 Months October 2020 through September 2021	18,678,916	19,079,858	19,079,858
P. Fuel Costs/kWh - COPA	\$0.1248	\$0.1365	\$0.1365
Q. Eligible Costs/kWh (Appendix 1)	\$0.3443	\$0.3559	\$0.3559
R. kWh Generated in test year	21,232,490	21,232,490	21,232,490
S. Wind Generation in test year	3,754,396	3,754,396	3,754,396
T. Diesel Generation in test year	17,478,094	17,478,094	17,478,094
U. kWh Station Service	521,214	521,214	521,214
V. Fuel Efficiency (T/1,229,776) ≥ 13.5 FY20 Test year Consumption 1,229,776	14.21	14.21	14.21
W. Line Loss $\leq 12\%$	4.65%	4.65%	4.65%
(kWh Generated - (kWh Sold + kWh Station Service))/kWh Generated			

KOTZEBUE ELECTRIC ASSOCIATION, INC.

CALCULATION OF AVERAGE CLASS RATE PER kWh

Surcharge: 0.1365

Rate Schedule: Residential

Customer Charge (CC): \$15.00

(1) Block (by kWh)	(2) Rate (\$/kWh)	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)+CC	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - \$ 0.2003
0 to 500	0.2057	0.1365	0.3422	186.10	0.3722	0.1719
to						
to						
to						
Max 500			Total	186.1000	0.3722	0.1719

CALCULATION OF COMMUNITY FACILITY AVERAGE RATE PER kWh

Customer Charge (CC): \$25.00

Rate Schedule: Small Commercial / Public Buildings

(1) Block	(2) Rate/ kWh	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)+CC/500	(6) Average Rate(\$/kWh)- \$ 0.2003
0 to ∞	0.2026	0.1365	0.3891	0.1888

Rate Schedule: Large Power Service

Customer Charge (CC): \$75.00

(1) Block	(2) Rate/ kWh	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)+CC/500	(6) Average Rate(\$/kWh)- \$ 0.2003
0 to ∞	0.1883	0.1365	0.4748	0.2745

Rate Schedule: Street Lights

(1) Block	(2) Rate/ kWh	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(6) Average Rate(\$/kWh)- \$ 0.2003
0 to 63	0.3051	0.1365	0.4416	0.2413
to				
to				
to				

Signature:

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Appendix 3

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Signature:

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